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Panel

SECTION 1423 ACQUISITION ADVISORY PANEL

**Governmentwide Contracts and
Interagency Contract Vehicles
Working Group**

**Presentation of Preliminary Findings
October 27, 2005**

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Governmentwide Contracts and Interagency Contract Vehicles

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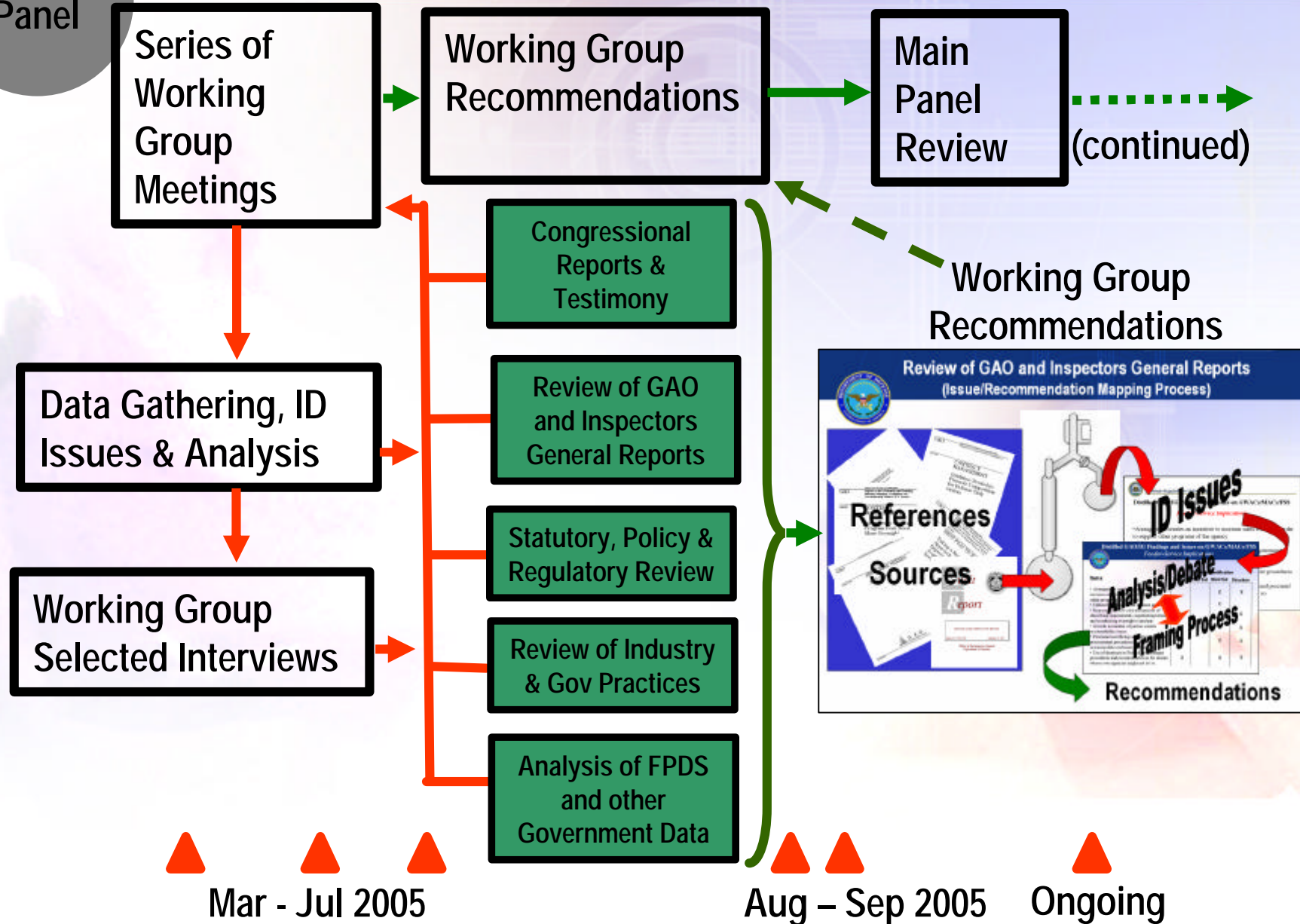
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SECTION 1423 ACQUISITION ADVISORY PANEL RECOMMENDED METHODOLOGY

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Issues

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Issues and recommendations arise from four basic questions:

- What are they?
- Why do agencies use them?
- How do agencies use them?
- How should agencies use them?

Contents of Draft Report to the Full Panel

- **Introduction**
- **General Background**
 - **What are they?**
 - Includes enterprisewide vehicles and assisting entities
 - Stakeholders
 - **Why are they created and used?**
- **Issue: Creation and Continuation of Interagency Vehicles**
 - **Background**
 - **Findings**
 - Recommendations
- **Issue: Competition**
 - **Background**
 - **Findings**
 - Recommendations
- **Issue: Pricing (To Commercial Practices Working Group)**
 - **Background**
- **Issue: Acquisition Workforce (In coordination with Acquisition Workforce WG)**
 - **Background**
 - **Findings**
 - Recommendations

Preliminary Findings

- **Creation and Continuation**
 - Although the data are incomplete, there is evidence that interagency and enterprisewide contract vehicles are proliferating.
 - There are too many vehicles with overlapping products and services.
 - Oversight over the creation and continuation of vehicles is inconsistent.
 - There is no transparency concerning the vehicles and their use.
 - There is little systemic coordination among the vehicles.
 - There is no overarching business case requirement or other standards for the creation or retention of contract vehicles by agencies.
 - There are no procedures for aligning vehicles to leverage Government purchasing power.
 - There are no comprehensive measurements for performance of vehicles.
 - No system or standards for monitoring vehicle performance or relevance.
 - There are no consistent procedures or policies for allocation roles and responsibilities among the stakeholders in transactions using the vehicles.
 - Current incentives for creating vehicles do not always translate into benefits for the taxpayer.
 - Some diversity in contract vehicles and their approaches to meeting agencies' needs is desirable.
 - Intensive focus on the process of creation and continuation of the interagency contract vehicles may be among the most effective means for dealing with many of the problems with the use of the vehicles.

Preliminary Findings

- **Competition**
 - Effective competition in procurement of goods and services using interagency contract vehicles is essential for maintaining public confidence in the Government acquisition process.
 - Because of their streamlined process, interagency vehicles are open to abuse by agencies seeking to circumvent competition.
 - Section 803 of the National Defense Authorization Act for Fiscal Year 2002 appears to have increased competition in Department of Defense procurements using interagency contract vehicles.
 - The Department of Defense accounts for 60 percent of the orders using GSA schedules. The other 40 percent of non-Department of Defense agencies' orders have no requirement similar to section 803 governing such orders.
 - A governmentwide approach to this issue is desirable.
- **Workforce**
 - Although aspects of the interagency contract process are more streamlined, the nature of many transactions under these vehicles, such as those involving services, can be much more complex than a procurement using an agency contract.
 - Even though training is available for the use of certain categories of interagency contract vehicles, there are no comprehensive requirements for training agency acquisition professionals in the use of the vehicles.